

[(11)] [10] to the extent that funds of the Partnership are available, to pay all debts and obligations of the Partnership;

[(12)] [11] to the extent that funds of the Partnership are available, to make all distributions periodically to the Partners in accordance with the provisions of this Agreement;

[(13)] [12] to enter into, execute, deliver and perform any sales, agency or dealer agreements and escrow agreements with respect to the sale of Units under the Registration Statement and to provide for the distribution of such Units by the Partnership through one or more underwriters (which may be Affiliates of a General Partner) or otherwise, to pay, or cause the Partnership to pay, the fees, commissions, charges and expenses related thereto, and to indemnify and hold harmless that firm (and any selected dealer participating with that firm in a distribution of Additional Limited Partners' Interests pursuant to the terms of such agreement) from any liability incurred by it in so acting for the Partnership pursuant to the terms of such agreement;

[(14)] [13] to establish and maintain the books and records of the Partnership in accordance with this Agreement;

[(15)] [14] to establish valuation principles and to apply periodically such principles to the Partnership's Investments;

[(16)] [15] to perform all normal business functions, and otherwise operate and manage the business and affairs of the Partnership, in accordance with and as limited by this Agreement;

[(17)] [16] to establish and maintain a Capital Account for each Partner in accordance with this Agreement;

[(18)] [17] subject to the provisions of Section 5.4, to deal with, or otherwise engage in business with, or provide services to, and receive compensation therefor from, any Person who has in the past dealt or engaged in business with the General

Partners or any of their Affiliates or may in the future have such dealings or do such business with General Partners or any of their Affiliates;

[(19)] [18] to make temporary investments of Partnership capital in Temporary Investments pending final investment disposition or cash distributions to the Partners;

[(20)] to enter into interest rate swap agreements and interest rate cap and floor agreements;] and

[(21)] [19] to engage in any kind of activity and to perform and carry out contracts of any kind necessary to, or in connection with or convenient or incidental to, the accomplishment of the purposes of the Partnership so long as said activities and contracts may be lawfully carried on or performed by a partnership under the laws of the State, in accordance with and as limited by this Agreement.

The Limited Partners hereby Consent and agree to the exercise by the General Partners of any of the foregoing rights and powers in addition to any other right or power exercised by the General Partners as required or appropriate to their management of the Partnership and to the issuance by the Partnership of any limited partner interest senior to the Units.

B. The Managing General Partner is hereby granted the exclusive power and authority from time to time to do the following:

(1) subject to the supervision of the Independent General Partners, (a) to supervise the Investment Adviser in managing and controlling the Investments of the Partnership and in providing services to the Partnership as provided in the investment advisory agreement between the Investment Adviser and the Partnership to be otherwise approved by the Independent General Partners, and (b) in connection therewith to carry out those activities set forth in Section 5.2A(4);

(2) to offer to provide and, if accepted, provide, management assistance to Managed Companies to the extent required by the 1940 Act or otherwise

considered necessary or incidental by the Managing General Partner;

(3) to admit Additional Limited Partners to the Partnership in accordance with Section 3.3A and to admit an assignee of a Limited Partner's Interest to be a Substituted Limited Partner in the Partnership, pursuant to and subject to the terms of Section 8.3, without the Consent of any Limited Partner;

(4) to perform all duties imposed on, and exercises all powers conferred on, a "tax matters partner" of the Partnership by Sections 6221 through 6232 of the Code, including (but not limited to) the following: (a) the power to conduct all audits and other administrative proceedings (including windfall profit tax audits) with respect to Partnership tax items; (b) the power to extend the statute of limitations for all Partners with respect to Partnership tax items; (c) the power to file a petition with an appropriate federal court for review of a final Partnership administrative adjustment; and (d) the power to enter into a settlement with the Internal Revenue Service on behalf of, and binding upon, those Limited Partners having less than 1% interest in the Profits of the Partnership unless a Limited Partner notifies the Internal Revenue Service and the Managing General Partner that the Managing General Partner may not act on such Limited Partner's behalf; and

(5) to provide such administrative and managerial services to the Partnership as shall be necessary for the operation of the Partnership or to enter into an administrative services agreement with the Fund Administrator pursuant to which the Fund Administrator will provide some or all of such services.

The grant of exclusive power and authority to the Managing General Partner under this Section 5.2B in no way limits the rights, powers or authority of the Independent General Partners under this Agreement, or as otherwise provided by the 1940 Act or by exemptive order issued by the Securities and Exchange Commission thereunder.

C. The General Partners, in the name and on behalf of the Partnership, subject to the approval of the Independent General Partners, are authorized to enter into

an advisory agreement with the Investment Adviser pursuant to which the Investment Adviser will provide investment advisory services to the Partnership.

D. The Independent General Partners, subject to such approvals by the Limited Partners as may be required by the 1940 Act, in the name and on behalf of the Partnership, are authorized to appoint the Accountants for the Partnership.

E. Any Person dealing with the Partnership or the General Partners may rely upon a certificate signed by a General Partner, thereunto duly authorized, as to:

(1) the identity of the General Partners or any Limited Partner;

(2) the existence or non-existence of any fact or facts which constitute conditions precedent to acts by the General Partners or in any manner germane to the affairs of the Partnership;

(3) the Persons who are authorized to execute and deliver any instrument or document of the Partnership; or

(4) any act or failure to act by the Partnership or as to any other matter whatsoever involving the Partnership or any Partner.

F. Any document executed by any of the General Partners while acting in the name and on behalf of the Partnership shall be deemed to be the action of the Partnership vis-a-vis any third parties (including the Limited Partners as third parties for such purpose).

G. If there is a determination by the Internal Revenue Service, which in the opinion of counsel is likely to be sustained by a court of competent jurisdiction, or if at any time in the opinion of counsel [there is a substantial risk] [it is likely], that the Partnership will or, at some future date, would be classified as a corporation or a publicly-traded partnership for federal income tax purposes, the Managing General Partner may take such steps as it deems necessary or desirable to minimize the adverse tax consequences of such classification including, without limitation, (i) suspend all transfers of Units for one quarterly transfer date, (ii) amend this Partnership

Agreement to the extent necessary to ensure that the Partnership will, in the opinion of counsel, be classified as a partnership for federal income tax purposes, (iii) reorganize the Partnership so that it qualifies as a regulated investment company pursuant to Section 851 of the Code or (iv) liquidate, in a prompt or in an orderly fashion as determined by the General Partners in their sole discretion, the Partnership.

Section 5.3. Dealings of the General Partners and Their Affiliates with the Partnership. Without limitation upon the other powers set forth herein, the Independent General Partners are expressly authorized, in the name of and on behalf of the Partnership, to:

(1) authorize and approve the purchase of Co-investments, subject to the terms and conditions of any exemptive order issued by the Securities and Exchange Commission under the 1940 Act with regard to the purchase of Coinvestments;

(2) pay the Managing General Partner a quarterly Fund Administration Fee commencing from the date of the first Closing payable in advance (prorated for the period from the date of the first Closing to the end of the then current fiscal quarter) (it being understood that all or part of any such fee paid to the Managing General Partner may be paid by the Managing General Partner to the Fund Administrator). The Fund Administration Fee shall be equal to (a) for each of the first four years of operation of the Partnership, an annual amount equal to the greater of (i) 1% of the gross offering proceeds of the Units of the Partnership but not greater than \$500,000 (the "Minimum Fee") and (ii) .45% of the amount of net offering proceeds, (b) for each of the next four years of operation of the Partnership, an annual amount equal to the greater of (i) the Minimum Fee and (ii) (x) an amount equal to .45% of the excess of the amount of net offering proceeds of the Partnership and the Other Partnership over 50% of the amount of capital reductions of the Partnership and the Other Partnership, but in no event exceeding in aggregate the annual amount of \$3.2 million and all direct out-of-pocket expenses incurred on behalf of the smaller, measured in terms of gross offering proceeds, of the Partnership and the Other Partnership, (y) multiplied by a fraction the

numerator of which is the number of Units issued by the Partnership and the denominator of which is the sum of such number of Units and the number of units of limited partner interest issued by the Other Partnership, and (c) thereafter for each year equal to the annual sum of [\$300,000] [\$100,000] and all actual out-of-pocket expenses incurred on behalf of the Partnership (but not for compensation of executive officers of the Managing General Partner or the Fund Administrator) but in no event exceeding in aggregate the annual amount of [\$2.5] [\$1.0] million with respect to any year, as compensation for managing and controlling the affairs of the Partnership; and reimburse the Managing General Partner for its or, if incurred by the Fund Administrator, the Fund Administrator's actual, out-of-pocket ordinary legal fees and related expenses in excess of \$100,000 in any calendar year, and extraordinary fees and expenses, including but not limited to extraordinary legal fees and related expenses, statutory insurance and bonding expenses, and optional insurance and bonding expenses permitted by the 1940 Act, but no other expenses, incurred on behalf of the Partnership in connection with the management of the Partnership; provided, however, that the Independent General Partners may increase the amount of Fund Administration Fee at any time without the Consent of the Limited Partners in order to compensate the Managing General Partner appropriately for the market value of the costs and expenses related to its services; and

(3) pay the Investment Adviser an Investment Advisory Fee commencing from the date of the first Closing payable quarterly in advance (prorated for the period from the date of the first Closing to the end of the then current fiscal quarter), for so long as the Investment Adviser is the investment adviser to the Partnership, equal, on an annual basis, to the greater of (a) the product of \$2,000,000 and a fraction, the numerator of which is the number of Units issued by the Partnership and the denominator of which is the sum of such number of Units and the number of units of limited partner interest issued by the Other Partnership, and (b) 1.0% of Available Capital (with respect to the calculation of any quarterly fee, as of the first day of the quarter to which the fee relates) as compensation for the man-

agement of the Partnership's Investments; and reimburse the Investment Adviser for those expenses as are specifically set forth in clause (1) of the definition of "Acquisition Expenses" incurred on behalf of the Partnership including, with respect to any legal fees and related expenses referred to in such clause, the legal fees and related expenses of the law department of Equitable Life, but no other fees or expenses; provided that, as of any time of determination of the amount due the Investment Adviser pursuant to the Investment Advisory Fee, such amount due shall be reduced by an amount equal to (x) the sum of (i) 80% of any commitment, transaction, investment banking and "break-up" or other such similar fees received by the Investment Adviser in cash or securities to the extent allocable in the good faith judgment of the Investment Adviser to Enhanced Yield Investments made, proposed or committed to be made by the Partnership and (ii) any distributions made by the Partnership to the Managing General Partner pursuant to Sections 4.1B(1) and 4.2B(1) from Temporary Investments, minus (y) the amount of such fees and distributions previously credited against the Investment Advisory Fee. After the initial term set forth herein, the amount and terms of Investment Advisory Fee shall thereafter be as approved by the Independent General Partners.

For the purpose of this Section 5.3, "gross offering proceeds" means the sum of Capital Contributions initially made by the Additional Limited Partners and the Deemed Sales Commissions and Financial Advisory Fees related thereto; "net offering proceeds" means the sum of the amount of the gross proceeds of the sale of Additional Limited Partners' Interests net of Organizational and Offering Expenses; "capital reductions" means the amount of capital distributed to the Partners and realized losses from investment through the end of such preceding quarter.

Section 5.4. Prohibited Transactions. The following transactions are specifically prohibited to the Partnership except to the extent permitted by this Agreement:

A. The Partnership shall not lend money or other property to a General Partner, the Investment Adviser or any of their Affiliates, except as per-

mitted by the 1940 Act or any exemptive order issued by the Securities and Exchange Commission thereunder.

B. The Partnership shall not sell or purchase any security or other property to or from a General Partner, the Investment Adviser or any of their Affiliates, or effect any transaction in which a General Partner or the Investment Adviser or any of their Affiliates is a joint or a joint and several participant or effect any reciprocal transactions or business arrangements in which a General Partner, the Investment Adviser or any of their Affiliates is a party, except as permitted by the 1940 Act or any exemptive order issued by the Securities and Exchange Commission thereunder.

C. Expenses of the Partnership shall not be billed except directly to the Partnership (but shall be paid pursuant to the terms of this Agreement), and no reimbursements shall be made therefor to the General Partners or any of their Affiliates except as permitted by Sections 5.3 and 5.7.

Section 5.5. Restrictions on the Authority of the General Partners.

A. Without the Consent of all the Limited Partners, but subject to the provisions of Section 11.2, the General Partners shall not have the authority to:

- (1) do any act in contravention of this Agreement;
- (2) do any act that would make it impossible to carry on the ordinary business of the Partnership;
- (3) admit a Person as a General Partner, except as provided in this Agreement;
- (4) admit a Person as a Limited Partner, except as provided in this Agreement;
- (5) continue the business with Partnership property on the retirement, removal or Incapacity of a General Partner, except as provided in the Agreement; or

(6) knowingly perform any act, unless specifically required by the terms of this Agreement, that would subject any Limited Partner to liability as a general partner in any jurisdiction.

In the event that the written Consent or ratification of all of the Limited Partners is obtained under this Section 5.5A, the General Partners agree promptly to amend this Agreement to the extent necessary to reflect such actions.

B. Except as permitted by the 1940 Act or any exemptive order issued by the Securities and Exchange Commission thereunder, the General Partners and their Affiliates shall not, acting as principal, (1) sell any security or other property to the Partnership or to any Person controlled by the Partnership; (2) purchase any security or other property from the Partnership or from any Person controlled by the Partnership; (3) borrow money or other property from the Partnership or from any Person controlled by the Partnership; and (4) effect any transaction in which the Partnership or a Person controlled by the Partnership is a joint or a joint and several participant with such General Partner or Affiliate thereof. Except as permitted by the 1940 Act or any exemptive order issued by the Securities and Exchange Commission thereunder, the Partnership shall not purchase any Enhanced Yield Investment that has been sponsored by any Affiliate of the Managing General Partner.

C. Except as permitted by the 1940 Act or any exemptive order issued by the Securities and Exchange Commission thereunder, the General Partners shall not, acting as agent or broker, accept from any source any compensation, other than pursuant to Section 5.7 for the purchase or sale of any property to or for the Partnership or any Person controlled by the Partnership, or for effecting any such transaction.

D. The Independent General Partners shall not cause the Partnership to consent to, or join in, any waiver, amendment, or modification of the terms of any partnership agreement, limited partnership agreement, management agreement or investment contract to which it or any Affiliate thereof is a party unless, in the good faith judgment of the Independent General Partners, such waiver, amendment, or modification would be in the best interest of the Partnership.

E. Except as provided in Section 5.2G, without the Consent of a majority in Interest of the Limited Partners, but subject to the provisions of Section 11.2, the Independent General Partners shall not have the authority to:

(1) sell, abandon or otherwise dispose of at any one time all or substantially all the assets of the Partnership, except for a liquidation sale of a final Enhanced Yield Investment or component thereof or security related thereto remaining as a result of the sale of Enhanced Yield Investments in the ordinary course of business; or

(2) elect to dissolve the Partnership.

F. The investment objective of the Funds may be changed only with the consent of a majority in interest of the Limited Partners, or as otherwise permitted by the 1940 Act.

Section 5.6. Duties and Obligations of General Partners.

A. The General Partners shall take all action that may be necessary or appropriate for the continuation of the Partnership's valid existence as a limited partnership under the laws of the State (and each other jurisdiction in which such existence is necessary to protect the limited liability of the Limited Partners or to enable the Partnership to conduct the business in which it is engaged) and for the acquisition, holding and disposition of the Partnership's Investments in accordance with the provisions of the Agreement and applicable laws and regulations.

B. Subject to Section 5.8 hereof, the General Partners shall devote to the Partnership such time as the General Partners shall deem to be necessary to conduct the Partnership business and affairs in an appropriate manner.

C. The General Partners shall be under a duty and obligation to conduct the affairs of the Partnership in the best interests of the Partnership, including the safekeeping and use of all Partnership funds and assets (whether or not in the immediate possession or control of the General Partners) and the use thereof for the benefit of the Partnership. Neither the General Partners nor any

of their Affiliates shall enter into any transactions with the Partnership that may significantly benefit the General Partners or such Affiliates unless the transaction is expressly permitted hereunder and under the 1940 Act or an exemptive order issued by the Securities and Exchange Commission thereunder or is entered into principally for the benefit of the Partnership in the ordinary course of Partnership business.

D. The General Partners shall use their best efforts, in the conduct of the Partnership's business, to put all Persons with whom the Partnership does business or in whom the Partnership invests on notice that the Limited Partners are not liable for Partnership obligations and all agreements to which the Partnership is a party shall include a statement to the effect that the Partnership is a limited partnership organized under the Act; but the General Partners shall not be liable to the Limited Partners for any failure to give such notice to such Persons or if any such agreement fails to contain such statement.

E. The General Partners shall at all times conduct their affairs and the affairs of all of their Affiliates and of the Partnership in such a manner that neither the Partnership nor any Partner nor any Affiliate of any Partner will have any personal liability with respect to any Partnership indebtedness, unless in the case of personal liability with respect to the Partnership, the General Partners or any Affiliate of the General Partners, the General Partners are of the opinion that such conduct would be in the best interests of the Limited Partners.

F. The General Partners shall prepare or cause to be prepared and shall file on or before the due date (or any extension thereof) any federal, state or local tax returns required to be filed by the Partnership. The General Partners shall cause the Partnership to pay any taxes payable by the Partnership; provided, however, that the General Partners shall not be required to cause the Partnership to pay any tax so long as the General Partners or the Partnership are in good faith and by appropriate legal proceedings contesting the validity, applicability or amount thereof and such contest does not materially endanger any right or interest of the Partnership.

G. The General Partners shall, from time to time, submit to any appropriate state securities adminis-

trator all documents, papers, statistics and reports required to be filed with or submitted to such state securities administrator.

H. The General Partners shall use their best efforts to cause the Partnership to be formed, reformed, qualified to do business, or registered under any applicable assumed or fictitious name, statute or similar law in any state in which the Partnership then makes Investments or transacts business, if such formation, reformation, qualification or registration is necessary in order to protect the limited liability of the Limited Partners or to permit the Partnership lawfully to own, make Investments or transact business.

I. The General Partners shall, from time to time, prepare and file, or cause to be prepared and filed, any amendment to the Certificate or this Agreement and other similar documents that are required by law to be filed and recorded for any reason, in such office or offices as are required under the laws of the State or any other state in which the Partnership is then formed or qualified. The General Partners shall promptly register the Partnership under any assumed or fictitious name, statute or similar law in force and effect in each state in which the Partnership is then formed or qualified. The General Partners shall do all other acts and things (including making publication or periodic filings of the Certificate or this Agreement or other similar documents, or amendments thereto) that may now or hereafter be required, or deemed by the General Partner to be necessary, (1) for the perfection and continued maintenance of the Partnership as a limited partnership under the laws of the State and each other state in which the Partnership is then formed, (2) to protect the limited liability of the Limited Partners as limited partners under the laws of the State and each other state in which the Partnership is then formed or qualified and (3) to cause the books and records of the Partnership, and if required by law, to cause the Certificate and this Agreement to reflect accurately the agreement of the Partners, the identity of the Limited Partners and the General Partners and the amounts of their respective Capital Contributions.

J. The General Partners shall use their best efforts to assure that in all correspondence, contracts, agreements and other documents relating to the Partnership (1) it shall plainly appear, or be so stated, that the

Partnership is a limited partnership organized under the Act, (2) the full name of the Partnership shall at all times be used and (3) wherever appropriate, it shall be expressly stated that, for purposes of determining the liability of the Limited Partners, the Act shall be controlling; but the General Partners shall not be liable to the Limited Partners for any failure to make such statements.

K. The Managing General Partner shall use its best efforts to maintain at all times a net worth not less than \$5,000,000 or at such lower level that is sufficient, in the opinion of counsel to the Partnership, to meet the net worth requirements of any statute, federal income tax regulations or the courts applicable to a general partner of a limited partnership in order to ensure that the Partnership will not fail to be classified for federal income tax purposes as a partnership rather than as an association taxable as a corporation. The Managing General Partner shall not declare or pay any dividend to the extent that, as a result of such declaration or payment, the Managing General Partner would fail to maintain such net worth.

Section 5.7. Reimbursement and Compensation.

A. The Managing General Partner shall be entitled to receive out of Partnership funds available therefor reimbursement of all Organizational and Offering Expenses (for the purpose of this calculation excluding any selling commissions, financial advisory fees, or actual marketing or sales expenses) expended by it or by the Fund Administrator (in such case for reimbursement by the Fund Administrator) on behalf of the Partnership and MLPF&S shall be entitled to receive out of Partnership funds available therefor such amount of Organizational and Offering Expenses as well as the legal fees and related expenses of its counsel; provided that to the extent that the aggregate of such expenses, together with similar expenses paid by the Partnership, exceed the product of \$6,000,000 and a fraction, the numerator of which is the number of Units issued by the Partnership and the denominator of which is the sum of such number of Units and the number of units of limited partner interest issued by the Other Partnership, or to the extent that such amount of Organizational and Offering Expenses together with the amount of selling commissions, financial advisory fees and marketing and sales expense

reimbursement payable to MLPF&S exceeds 15% of the total offering proceeds of each fund, the reimbursement to the Managing General Partner will be reduced pro rata, and, if the amounts payable or reimbursable by the Partnership after such reduction remain in excess of such limitation, any excess amount shall be paid on behalf of the Partnership by the Managing General Partner.

B. As compensation for services rendered to the Partnership, each Independent General Partner initially will be paid, in addition to all out-of-pocket expenses relating to attendance at the meetings, committee or otherwise, the sum of \$500 for each meeting of the Independent General Partners attended by such Independent General Partner, and if a committee is appointed by the Independent General Partners, the sum of \$500 for each such committee meeting attended (provided, however, that if such committee meeting is held on the same day as a meeting of Independent General Partners the sum paid for attendance at such committee meeting shall be \$250):

(a) if the aggregate amount of the Net Capital Contributions for the Partnership and the Other Partnership is equal to or greater than such aggregate amount for the Equitable Capital Partners I Partnerships, the annual fee, for each Fund, equal to the sum of \$30,000 for each of the first three years of the operations of the Funds and \$15,000 for each year thereafter

(b) if the aggregate amount of the Net Capital Contributions for the Partnership and the Other Partnership is less than such aggregate amount for the Equitable Capital Partners I Partnerships, [an annual fee calculated by multiplying each of the amounts in (a) above by a fraction the numerator of which is the aggregate amount of the Net Capital Contributions for the Partnership and the denominator of which is the aggregate amount of the net capital contributions for Equitable Capital Partners, L.P.] [an annual fee calculated by multiplying each of the amounts in (a) above by a fraction the numerator of which is the aggregate amount of the Net Capital Contributions for the Partnership and the denominator of which is the aggregate amount of the net capital contributions for Equitable Capital Partners (Retirement Fund), L.P.]. The amount of compensation payable to the Independent General Partners shall be reviewed annually by the Independent General Partners and may be increased or decreased by the Independent General Partners to provide for such compensation as the Independent General Partners may deem reasonable under the

circumstances. Payment of compensation to an Independent General Partner hereunder shall not be deemed a distribution for purposes of Section 4.1 nor shall such payment affect such Person's right to receive any distribution for purposes of Section 4.1 nor shall such payment affect such Person's right to receive any distribution to which he would otherwise be entitled as a Limited Partner. Compensation paid to Independent General Partners for consulting services must be approved by the Independent General Partners.

C. The General Partners shall not, either in their capacity as General Partners or in their individual capacity, receive any salary, fees, commissions, profits, distributions, or other compensation except as provided or permitted under Article Four or Article Five.

Section 5.8. Other Businesses of Partners.

Subject to Section 5.5A any Partner and any Affiliate of any Partner may engage in or possess an interest in other business ventures of any kind, nature or description, independently or with others, whether or not such ventures are competitive with the Partnership. Neither the Partnership nor any Partner shall have any rights or obligations by virtue of this Agreement or the limited partnership relationship created hereby in or to such independent ventures or the income or profits or losses derived therefrom, and the pursuit of such ventures, even if competitive with the business of the Partnership, shall not be deemed wrongful or improper. Nothing in this Agreement shall be deemed to prohibit the General Partners or any Affiliate of the General Partners from dealing, or otherwise engaging in business, with Persons transacting business with the Partnership. The General Partners will act within the procedures and guidelines established by the Independent General Partners and as set forth in any exemptive order issued by the Securities and Exchange Commission under the 1940 Act or otherwise designed to minimize any conflict between the Partnership's business and other business interests of the General Partners and their Affiliates. The Managing General Partner hereby consents and agrees promptly to furnish the Independent General Partners, upon request, with information on a confidential basis as to any investments made by it or any of its Affiliates, for their own account or for others based upon their recommendation.

Section 5.9. Exculpation and Indemnification of the General Partners.

A. Neither any of the General Partners nor any of their Affiliates shall be liable, responsible or accountable in damages or otherwise to the Partnership or any Limited Partner for any loss or damage incurred by reason of any act or omission performed or omitted by such General Partner or such Affiliate in good faith and reasonably believed by it to be in or not opposed to the best interests of the Partnership and within the scope of the authority granted to it by this Agreement or by law or by the Consent of the Limited Partners in accordance with the provisions of this Agreement, provided that such General Partner or such Affiliate was not guilty of gross negligence, willful misfeasance, bad faith or reckless disregard of its duties with respect to such act or omission and, with respect to the Managing General Partner and any Affiliate of the Managing General Partner, was not guilty of any of the foregoing, negligence or misconduct with respect to such act or omission. To the fullest extent permitted by law, the Partnership, out of its assets and subject to Section 5.10, and not out of the assets of the General Partners, shall indemnify and hold harmless any General Partner and any of its Affiliates who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including any action by or in the right of the Partnership), by reason of any act or omission or alleged act or omission arising out of such Person's activities as a General Partner or as an officer, partner, director, shareholder or Affiliate of a General Partner if such activities were performed in good faith and were reasonably believed by such Person to be in or not opposed to the best interests of the Partnership and to be within the scope of the authority conferred by this Agreement or by law or by the Consent of the Limited Partners in accordance with the provisions of this Agreement, against losses, damages, or expenses for which such Person has not otherwise been reimbursed (including attorneys' fees, judgments, fines and amounts paid in settlement) actually and reasonably incurred by such Person in connection with such action, suit or proceeding so long as such Person was not guilty of gross negligence, willful misfeasance, bad faith or reckless disregard of such Person's duties with respect to such acts or omissions and, with respect to the

Managing General Partner or any Affiliate of the Managing General Partner, was not guilty of any of the foregoing, negligence or misconduct with respect to such acts or omissions, and, with respect to any criminal action or proceeding, and had no reasonable cause to believe his conduct was unlawful and provided (1) that the satisfaction of any indemnification and any holding harmless shall be from and limited to Partnership assets and no Limited Partner shall have any personal liability on account thereof, and (2) that such an indemnification of an Affiliate shall be limited to losses, damages or expenses (a) which such Affiliate incurred solely as a result of such Affiliate's status as an Affiliate of a General Partner or (b) to which the Affiliate is subject because it has performed an obligation of a General Partner on behalf of such General Partner. The Partnership may make advance payments out of its assets in connection with the expense of defending any action with respect to which indemnification from the Partnership might be sought under this Agreement by a General Partner or its Affiliates. The indemnified General Partner or its Affiliates shall give a written undertaking to reimburse the Partnership in the event it is subsequently determined that such indemnitee is not entitled to such indemnification and (a) the indemnified General Partner or its Affiliates shall provide security for its undertaking, (b) the Partnership shall be insured against losses arising by reason of lawful advances, or (c) a majority of the disinterested General Partners or an independent counsel in a written opinion shall determine, based on a review of readily available facts (as opposed to a full trial-type inquiry), that there is reason to believe that the indemnitee ultimately will be found entitled to indemnification. The rights accruing to any General Partner or its Affiliates shall not exclude any other right to which such indemnitee may be lawfully entitled and shall inure to the benefit of its heirs, executors, administrators or other legal representatives. Notwithstanding the foregoing, absent a judicial or administrative determination that a General Partner or any of its Affiliates seeking indemnification was not liable on the merits or guilty of disabling conduct within the meaning of Section 17(h) of the 1940 Act, the decision by the Partnership to indemnify a General Partner or any such Affiliate or to make advance payments pending such indemnification must be based upon the reasonable determination of independent counsel or Independent General Partners not parties to the claim for which indemnification is to be sought, after review of the

facts, that such disabling conduct did not occur. The Partnership may not incur that portion of liability insurance which insures the General Partners or their Affiliates for any liability as to which the General Partners may not be indemnified pursuant to this Section 5.9.

B. Notwithstanding the provisions of Section 5.9A, neither the Managing General Partner, any controlling Person of the Managing General Partner nor any of its Affiliates acting as a broker-dealer in connection with the offering of Units shall be indemnified by the Partnership for any losses, liabilities or expenses arising from or out of an alleged violation of federal or state securities laws unless (1) there has been a successful adjudication on the merits of each count involving alleged securities violations and a court shall have approved the proposed indemnification, (2) such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction and a court shall have approved the proposed indemnification or (3) in the case of a legal proceeding which has been settled without a court ruling, a court, after having been informed in writing of the terms of the proposed indemnification and of the opinion of the Securities and Exchange Commission with respect to such indemnification, shall have approved the proposed indemnification.

Section 5.10. Indemnification of the Independent General Partners by the Managing General Partner. To the extent that an Independent General Partner has a valid claim for indemnification from the Partnership pursuant to Section 5.9 and has pursued such claim against the Partnership, but such claim has not been satisfied, the Managing General Partner shall satisfy such claim; provided, however, that the maximum aggregate amount payable hereunder by the Managing General Partner shall be \$100 million which maximum aggregate amount shall be reduced by the amount of any indemnification paid by the Managing General Partner to the general partners of the Other Partnership who are not "interested persons" (as such term is defined in the 1940 Act) of the Other Partnership.

Section 5.11. Indemnification of the Investment Adviser. To the extent permissible under the 1940 Act and State law, upon the approval of the Independent General Partners, the investment advisory agreement in effect with the Investment Adviser may provide for indemnification by

the Partnership of the Investment Adviser, or any Affiliate thereof for any act or omission or alleged act or omission arising out of its activities as Investment Adviser to the Partnership.

Section 5.12. Authorization of Registration Statement. Each of the Partners and each other Person who may acquire an interest in the Partnership hereby approves, ratifies and confirms the execution, delivery and performance of the Agreement, the investment advisory agreement, to be entered into between the Investment Adviser and the Partnership, the agency agreement, to be entered into among the Managing General Partner, MLPF&S and the Partnership, the administrative services agreement to be entered into among the Managing General Partner, the Fund Administrator and the Partnership, the custodian contract to be entered into between State Street Bank and Trust Company and the Partnership and the other transactions described in or contemplated by the Registration Statement, and agrees that the General Partners are authorized to execute, deliver and perform the other agreements, acts, transactions, and matters contemplated hereby or described in or contemplated by the Registration Statement on behalf of the Partnership without any further act, approval or vote of the Partners of the Partnership, notwithstanding any other provision of this Agreement, the Act or any applicable law, rule or regulation.

ARTICLE SIX

TRANSFERABILITY OF GENERAL PARTNER'S INTEREST

Section 6.1. Withdrawal or Retirement by an Independent General Partner. Subject to Section 6.5, no Independent General Partner may assign his Interest as such in the Partnership, but an Independent General Partner may voluntarily resign or withdraw from the Partnership, but only upon compliance with all of the following procedures:

A. The Independent General Partner shall give Notification of resignation or withdrawal to the General Partners at least 60 days prior to the date on which he proposes to withdraw.

B. To the extent required by Section 3.1B, and subject to the limitation in Section 3.1F, the remaining Independent General Partners shall designate a successor Independent General Partner who shall hold such office as provided in Section 3.1C.

C. The withdrawing Independent General Partner shall cooperate fully with the successor Independent General Partner so that the responsibilities of the withdrawing Independent General Partner may be transferred to the successor Independent General Partner with as little disruption of the Partnership's business and affairs as practicable.

The General Partners shall make such amendments to the Certificate and to this Agreement and execute and file for recordation such amendments or other documents or instruments as are necessary to reflect the termination of the Interest of the withdrawing General Partner, the fact that such withdrawing General Partner has ceased to be a General Partner, and the admission of such successor General Partner, all without the Consent of the Limited Partners.

Section 6.2. Withdrawal or Retirement by the Managing General Partner. Subject to Section 6.5, the Managing General Partner may voluntarily resign or withdraw from the Partnership or assign all of its Interest as General Partner to another Person, but only upon compliance with all of the following procedures:

A. The Managing General Partner shall, at least 60 days prior to such withdrawal, give Notification to all Partners that it proposes to withdraw and that there be substituted in its place a Person designated and described in such Notification or that it proposes to assign its Interest as General Partner to such Person.

B. Enclosed with the Notification shall be a certificate, duly executed by or on behalf of such proposed successor Managing General Partner, to the effect that: (1) it is experienced in performing (or employs sufficient personnel who are experienced in performing) functions that the Managing General Partner is required to perform under this Agreement; (2) it has a net worth which, in the opinion of counsel to the Partnership, is sufficient to meet the

net worth requirements of any statute, federal income tax regulations or the courts applicable to a general partner of a limited partnership in order to ensure that the Partnership will not fail to be classified for federal income tax purposes as a partnership rather than as an association taxable as a corporation; (3) it is willing to become the Managing General Partner under this Agreement and will assume all duties and responsibilities thereunder, without receiving any compensation for services from the Partnership in excess of that payable under this Agreement to the withdrawing Managing General Partner and without receiving any participation in the withdrawing Managing General Partner's interest other than that agreed upon by the Managing General Partner and the successor Managing General Partner; (4) it is not an Alien; and (5) if it is a Restricted Person, has provided the Partnership with an opinion of responsible counsel (who may be counsel for the Partnership), satisfactory in form and substance to the Independent General Partners and counsel for the Partnership, that the proposed assignment would not cause the Partnership or any Media Company that is a Portfolio Company to be in violation of Section 310(b) of the Communications Act or the FCC's rules, regulations, or policies adopted thereunder (and including the application of Section 310(b) to the Partnership under the terms of any FCC ruling or order obtained by the Partnership).

C. If a Managing General Partner resigns or withdraws or assigns all of its Interest as General Partner, there shall be on file at the principal office of the Partnership, prior to such withdrawal, audited financial statements of the proposed successor Managing General Partner, as of a date not earlier than 12 months prior to the date of the Notification required by this Section 6.2, certified by a nationally or regionally recognized firm of independent certified public accountants, together with a certificate duly executed on behalf of the proposed successor Managing General Partner, by its principal financial officer, to the effect that no material adverse change in its financial condition has occurred since the date of such audited financial statements that has caused its net worth, excluding the purchase price of its Interest in the Partnership, to be reduced to less than the amount required

under Section 6.2B. Such audited financial statements and certificate shall be available for examination by any Limited Partner during normal business hours.

D. Subject to Section 11.2 a majority in Interest of the Limited Partners has Consented to the admission of any successor Managing General Partner pursuant to this Section 6.2.

E. The withdrawing Managing General Partner shall cooperate fully with the successor Managing General Partner so that the responsibilities of the withdrawing Managing General Partner may be transferred to the successor Managing General Partner with as little disruption of the Partnership's business and affairs as practicable.

The General Partners shall make such amendments to the Certificate and to this Agreement and execute and file for recordation such amendments or other documents or instruments as are necessary to reflect the termination or assignment of the Interest of the withdrawing or assigning Managing General Partner, the fact that such withdrawing or assigning Managing General Partner has ceased to be a General Partner, and the admission of such successor Managing General Partner, all without the Consent of the Limited Partners. Upon the withdrawal of Equitable Capital as the Managing General Partner or the assignment of all of its Interest as General Partner and upon the contribution by a successor Managing General Partner of any combination of non-interest bearing demand notes and an amount of cash which, in the aggregate, have a principal amount equal to the then outstanding principal amount of any outstanding MGP Note or Notes and the Capital Contribution of Equitable Capital Management Corporation, the MGP Note or Notes contributed to the Partnership pursuant to Section 3.1D shall be cancelled.

Section 6.3. Removal of a General Partner;
Designation of a Successor General Partner.

A. Any of the Independent General Partners may be removed either (1) for cause by the action of at least two-thirds of the remaining Independent General Partners, (2) subject to Section 11.2, by failure to be re-elected at any special meeting of the Limited Partners held for such purpose pursuant to Section 11.4, or (3) subject to

Section 11.2, with the Consent of a majority in Interest of the Limited Partners. The Managing General Partner may be removed either (1) by a majority of the Independent General Partners, (2) subject to Section 11.2, by failure to be re-elected at any special meeting of the Limited Partners held for such purpose pursuant to Section 11.4 or (3) subject to Section 11.2, with the Consent of a majority in Interest of the Limited Partners. The removal of a General Partner shall in no way derogate from any rights or powers of such General Partner, or the exercise thereof, or the validity of any action taken pursuant thereto, prior to the date of such removal.

B. Subject to the receipt of an exemptive order issued by the Securities and Exchange Commission under the 1940 Act, in the event of the removal of the Managing General Partner and continuation of the Partnership, the Investments held by the Partnership at the time of removal shall be appraised by two independent appraisers, one selected by the removed Managing General Partner and one by the Independent General Partners. In the event that such two appraisers are unable to agree on the value of the Partnership's investment portfolio, they shall jointly appoint a third independent appraiser who shall select one of the two appraisals and whose determination shall be final and binding. The cost of the appraisal conducted by the appraiser selected by the removed Managing General Partner shall be borne by the removed Managing General Partner and the cost of the appraisal conducted by the appraiser selected by the Independent General Partners shall be borne by the Partnership. The cost of the appraisal conducted by a third appraiser shall be borne equally by the Partnership and the removed Managing General Partner. All unrealized capital gains and losses of the Partnership shall be deemed realized at that time solely for purposes of making a final allocation to the removed Managing General Partner. With respect to its Interest pursuant to Section 4.3, to the extent permissible under the 1940 Act and State law, the removed Managing General Partner shall receive a final allocation of Profits and Losses equal to the Profits and Losses that it would have been allocated pursuant to Section 4.3 if all unrealized capital gains and losses of the Partnership were deemed realized, and an allocation of Profits and Losses were made at such time and such time were deemed to be the end of a Fiscal Year. If the Capital Account of the removed Managing General Partner has a positive balance after such allocation, to the extent permissible

under the 1940 Act, the Partnership shall deliver a promissory note of the Partnership to the removed Managing General Partner, the principal amount of which shall be equal to the amount, if any, by which the positive amount of the removed Managing General Partner's Capital Account exceeds the amount of its Capital Contribution and which bears interest at a rate per annum equal to the lesser of 100% of the maximum rate permitted by applicable law or the Prime Rate in effect at the time of removal, with interest payable annually and principal payable only from 20% of any available cash before any distributions thereof are made to the Partners pursuant to Article Four. The Interest of the removed Managing General Partner shall convert to that of a Limited Partner, and the removed Managing General Partner shall continue to receive, as a Limited Partner, distributions pursuant to Sections 4.1 and 4.2 and related allocations of Profits and Losses pursuant to Section 4.3. In the event that such exemptive order is not granted in the form applied for by the Partnership, the Managing General Partner shall not receive a final allocation of Profits and Losses and its Interest shall convert to that of a Limited Partner, and the removed Managing General Partner shall continue to receive, as a Limited Partner, distribution pursuant to Sections 4.1 and 4.2 and related allocations of the Profits and Losses pursuant to Section 4.3.

C. Subject to Sections 3.1B and 3.1F, the remaining Independent General Partners may designate one or more Persons for admission to any vacancy existing in the number of Independent General Partners fixed pursuant to Section 3.1B resulting from removal of an Independent General Partner by the Independent General Partners pursuant to Section 6.3A and each Limited Partner hereby Consents to the admission of such successor or successors, no further Consent being required. The Independent General Partners may designate one or more Persons to be successors to a Managing General Partner removed by the Independent General Partners pursuant to Section 6.3A, and each Limited Partner hereby Consents to the admission of such successor or successors, no further Consent being required. With the Consent of a majority in Interest of the Limited Partners, the Limited Partners may, subject to the provisions of Sections 3.1B and 3.1F, at any time propose and approve a Person to be successor to a General Partner concurrently therewith being removed by the Limited Partners pursuant to Section 6.3A.

D. The General Partners shall make such amendments to the Certificate and to this Agreement and execute and file for recordation such amendments or other documents or instruments as are necessary to reflect the removal of a General Partner or a designation of a successor General Partner pursuant to this Section 6.3, the fact that such removed General Partner has ceased to be a General Partner, and the admission of such successor General Partner, all without the Consent of the Limited Partners.

Section 6.4. Incapacity of a General Partner.

A. In the event of the Incapacity of a General Partner, the business of the Partnership shall be continued by the remaining and any successor General Partners. Subject to Section 3.1C, the remaining General Partners shall give Notification to the Limited Partners of such event and shall, within 90 days, call a meeting of General Partners for the purpose of designating and admitting a successor General Partner. Any such successor General Partner shall hold such office until the next meeting of Partners or until his successor has been elected. The General Partners shall make such amendments to the Certificate and this Agreement and execute and file for recordation such amendments or other documents or instruments as are necessary to reflect the termination of the Interest of the Incapacitated General Partner, the fact that such Incapacitated General Partner has ceased to be General Partner, and the admission of such successor General Partner, all without the Consent of the Limited Partners.

B. In the event of the Incapacity of all General Partners, the Partnership shall be dissolved. Upon the Incapacity of a General Partner, the Incapacitated General Partner shall immediately cease to be a General Partner and its General Partner's Interest, as such, shall continue only for the purpose of determining the amount, if any, that it is entitled to receive upon any dissolution pursuant to Section 9.2. Any such Incapacity of a General Partner shall not affect any rights or liabilities of the Incapacitated General Partner that matured prior to such Incapacity.